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## **Endo to Stop Selling Oxycodone**

Purdue Pharma L.P. and Endo Pharmaceuticals Inc. have agreed to end the patent infringement lawsuit between them concerning certain Purdue Pharma patents on OxyContin(R) (oxycodone HCl controlled- release) Tablets "OxyContin".

Effective January 1, 2007, generics will be in short supply. Therefore, at that time, it will no longer be necessary to have the physician indicate brand "*medically necessary*" on the prescription.

## **Medicaid Deductible Expenses and Medicare Part D**

Drug expenses paid by the PDP or other insurance cannot be applied to the deductible or used as an unmet medical need in long term budgeting. However, under certain circumstances expenses not paid by the PDP or other insurance may be applied to the deductible or used as an unmet medical need to reduce the PML (Patient Medical Liability).

Prescription drug expenses can only be used to meet the deductible or reduce the PML when:

- the Medicare beneficiary was not enrolled in a PDP, there was no other prescription drug coverage on the date of service, and the individual did not affirmatively decline enrollment in Medicare Part D, or
- the Medicare beneficiary was enrolled in a PDP or had other prescription drug coverage on the date of service and provides verification, such as an explanation of benefits, from the PDP or other insurer identifying the expense as a beneficiary deductible, co-pay, or use to the donut hole, or
- the Medicare beneficiary provides a statement from the PDP or other insurer that the drug is a non-covered drug and the beneficiary requested an exception and the exception was denied.

If a drug appears on an explanation of benefits and no exception has been filed, do not allow the expense to be applied to the deductible or to reduce the PML.

### Nicotine Products Now on OTC Coverage List

The following Nicotine OTC Products are available for reimbursement by NC Medicaid in conjunction with a prescription order by the physician:

OTC Medication Name and Strength	NDC	MFG	Effective Date of Coverage
Nicoderm CQ 21 mg Step 1 (14)	00766-1420-20	GSK	5/12/2006
Nicorette Gum Start Kit 4 mg (110 Bonus)	00135-0158-07	GSK	5/12/2006
Nicorette Mint Start Kit 2 mg (110 Bonus)	00135-0170-07	GSK	5/12/2006
Nicorette Mint Start Kit 4 mg (110 Bonus)	00135-0171-02	GSK	5/12/2006
Nicorette Gum 4 mg 50 (OTC)	00135-0158-09	GSK	10/21/2006
Nicorette Gum 2 mg 170 (OTC)	00135-0157-10	GSK	10/21/2006
Nicorette Gum 2 mg 50 (OTC)	00135-0157-09	GSK	10/21/2006
Nicorette Gum 4 mg 170 (OTC)	00135-0158-10	GSK	10/21/2006
Nicorette Gum Fresh Mint Coated 2 mg 100	00135-0225-02	GSK	10/21/2006
Nicorette Gum Fresh Mint Coated 2 mg 40	00135-0225-01	GSK	10/21/2006
Nicorette Gum Fresh Mint Coated 4 mg 100	00135-0226-02	GSK	10/21/2006
Nicorette Gum Fresh Mint Coated 4 mg 40	00135-0226-01	GSK	10/21/2006
Nicorette Gum Start Kit 2 mg 110 Bonus (OTC)	00135-0157-07	GSK	10/21/2006
Nicorette Mint Refill 2 mg 50 (OTC)	00135-0170-09	GSK	10/21/2006
Nicorette Mint Refill 4 mg 50 (OTC)	00135-0171-09	GSK	10/21/2006
Nicotine Transdermal Patch Step 1 21mg (14)	00067-0215-14	NOVART	5/12/2006
Nicotine Transdermal Patch Step 2 14 mg (14)*	00067-0214-14	NOVART	5/12/2006
Nicotine Gum 2 mg Mint Rugby (20)	00536-1362-34	RUGBY	5/12/2006
Nicotine Gum 2 mg Mint Rugby (20)	00536-3106-34	RUGBY	5/12/2006
Nicotine Gum 4 mg Mint Rugby (20)	00536-1372-34	RUGBY	5/12/2006
Nicotine Gum 4 mg Regular Rugby (20)	00536-3107-34	RUGBY	5/12/2006
Nicotine Gum Refill Kit 2 mg Mint Rugby (50)	00536-1362-06	RUGBY	5/12/2006
Nicotine Gum Refill Kit 4 mg Mint Rugby (50)	00536-1372-06	RUGBY	5/12/2006
Nicotine Gum Refill Kit 4 mg Rugby (50)	00536-3107-06	RUGBY	5/12/2006
Nicotine Gum Starter Kit 2 mg Rugby (110)	00536-3106-23	RUGBY	5/12/2006
Nicotine Gum Starter Kit 2 mg Mint Rugby (110)	00536-1362-23	RUGBY	5/12/2006
Nicotine Gum Starter Kit 4 mg Mint Rugby (110)	00536-1372-23	RUGBY	5/12/2006
Nicotine Gum Starter Kit 4 mg Rugby (110)	00536-3107-23	RUGBY	5/12/2006

\* NDC corrected from previous bulletin (May 2006)

## Access to Over-the-Counter Medications Covered by NC Medicaid

Pharmacy providers who do not have access to over-the-counter (OTC) medications covered by the NC Medicaid program may request that a specific OTC medication be placed on the list. NC Medicaid will only consider requests for OTC medications for which the manufacturer has a rebate agreement with the Centers for Medicare and Medicaid Services (CMS). Please contact Sharon Greeson with EDS at [Sharon.Greeson@eds.com](mailto:Sharon.Greeson@eds.com) to make your requests. Please indicate the current AWP and package size of the product being requested. Refer to General Clinical Coverage Policy #A2 on DMA's web site at <http://www.dhhs.state.nc.us/dma/mp/mpindex.htm> for a copy of the complete list of covered OTC products.

## Indicating Co-Pay Exemption for Pregnancy

Pregnancy is one of the exemptions for co-pay for NC Medicaid recipients. For recipients with MPW coverage (pink Medicaid identification card), the eligibility file automatically exempts the claim from co-pay. The pharmacist must override the co-pay or indicate pregnancy on the POS transaction for recipients who have a blue Medicaid identification card. There are three ways to indicate pregnancy or override co-pay on a pharmacy transaction:

1. Place a "4" in the P.A. (Prior Authorization Type Code) field (**461-EU**)
2. Indicate the diagnosis of "**V22.2**" in the diagnosis field (**424-DO**)
3. Indicate '2' in the Pregnancy Indicator field (**334-2C**)

## Clarification on Prescription Limit Overrides

On June 1, 2006, the N.C. Division of Medical Assistance (DMA) implemented a new prescription limit of **eight** prescriptions per recipient per month for recipients age 21 and older.

A pharmacist may override the monthly prescription limit with three additional prescriptions per recipient per month. Overrides are available at the **discretion of the pharmacist** based on the assessment of the recipient's need for additional medications during the month of service. The pharmacist is **not** required to maintain documentation for these overrides.

## Federal Mac List Changes

Effective October 27, 2006, the following changes will be made to the Medicaid Drug Federal Upper Limit:

### FUL Increases

<u>Generic Name</u>	<u>FUL Price</u>
Primidone 250 mg, Tablet, Oral, 100	\$0.8055 R
Sulfamethoxazole; Trimethoprim 800 mg; 160 mg, Tablet, Oral, 100	\$0.3788 M

### FUL Additions

<u>Generic Name</u>	<u>FUL Price</u>
Alprazolam, 0.5 mg, Tablet, Extended Release, Oral, 60	\$1.9343 B
1 mg, Tablet, Extended Release, Oral, 60	\$2.4065 B
2 mg, Tablet, Extended Release, Oral, 60	\$3.1940 B
3 mg, Tablet, Extended Release, Oral, 60	\$4.7907 B
Bethanechol Chloride 5 mg, Tablet, Oral, 100	\$0.4889 R
10 mg, Tablet, Oral, 100	\$0.9171 R
25 mg, Tablet, Oral, 100	\$1.7079 R
50 mg, Tablet, Oral, 100	\$1.9565 R
Cefprozil 125 mg/5 ml, Suspension, Oral, 100	\$0.4080 B
250 mg/5ml, Suspension, Oral, 100	\$0.7394 B
Citalopram Hydrobromide EQ 10 mg Base/5 ml, Solution, Oral, 240 ml	\$0.4231 B
Clomiphene Citrate 50 mg, Tablet, Oral, 30	\$3.5500 B
Meloxicam 7.5 mg, Tablet, Oral, 100	\$0.2100 B
15 mg, Tablet, Oral, 100	\$0.2850 B
Minocycline Hydrochloride 75 mg, Capsule, Oral, 100	\$1.9575 R
Theophylline 200 mg, Tablet, Extended Release, Oral, 100	\$0.2160 R
300 mg, Tablet, Extended Release, Oral, 100	\$0.2625 R

## Changes in Drug Rebate Manufacturers

### Additions

The following labelers have entered into Drug Rebate Agreements and joined the rebate program effective on the dates indicated below:

<i><b>Code</b></i>	<i><b>Manufacturer</b></i>	<i><b>Date</b></i>
00276	Misemer Pharmaceutical, Inc.	07/10/2006
10702	KVK-Tech, Inc.	10/10/2006
15584	Bristol-Myers Squibb and Gilead Sciences, LLC.	07/01/2006
15821	Focus Laboratories, Inc.	07/03/2006
16103	Pharbest Pharmaceuticals, Inc.	07/31/2006
18754	A. Aarons, Inc.	07/03/2006
18860	Azur Pharma., Inc.	10/10/2006
20694	Myogen, Inc.	07/26/2006
50201	Tower Laboratories Ltd.	07/06/2006
64720	CorePharma, LLC.	07/25/2006
68546	Teva Neuroscience, Inc.	07/27/2006
68716	KVD Pharma, Inc.	07/31/2006

### Reinstated Labelers

Respa Pharmaceuticals, Inc. (Labeler Code 60575) has signed a new rebate agreement and was reinstated in the drug rebate program effective 10/01/2006.

Select Brand (Labeler Code 15127) has signed a new rebate agreement and was reinstated in the drug rebate program effective 10/01/2006

### Terminated Labelers

The following labeler code was terminated effective 07/01/2006:

<i><b>Code</b></i>	<i><b>Manufacturer</b></i>
55953	Novopharm USA, Inc.

### Checkwrite Schedule

October 10, 2006	November 07, 2006	December 05, 2006
October 17, 2006	November 14, 2006	December 12, 2006
October 26, 2006	November 21, 2006	December 21, 2006

### Electronic Cut-Off Schedule

October 06, 2006	November 03, 2006	December 01, 2006
October 13, 2006	November 09, 2006	December 08, 2006
October 20, 2006	November 17, 2006	December 15, 2006

*Electronic claims must be transmitted and completed by 5:00 p.m. on the cut-off date to be included in the next checkwrite. Any claims transmitted after 5:00 p.m. will be processed on the second checkwrite following the transmission date. POS claims must be transmitted and completed by 12:00 midnight on the day prior to the electronic cut-off date to be included in the next checkwrite.*

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Mark T. Benton, Sr  
Senior Deputy Director and Chief Operating Officer  
Division of Medical Assistance  
Department of Health and Human Services

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Cheryll Collier  
Executive Director  
EDS